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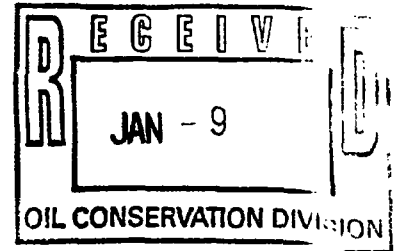
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*NOT LICENSED IN NEW MEXICO

January 8, 1997

HAND DELIVERED

Mr. Michael Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504



RE: Parker & Parsley OCD Case Nos.
11703 and 11704 -- statutory
unitization and water
injection project for
secondary recovery

Dear Mike:

This will confirm our phone conversation today in which I advised you that Parker & Parsley Development, L.P. requests a continuance of the referenced cases, now set on the docket for tomorrow, January 9, 1997. We respectfully request that the cases be continued to the next regular hearing date, which we understand is January 23, 1997.

Please advise if anything additional is needed to effect this requested continuance.

Thank you.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


Conrad E. Coffield

Copies: William Carr, Esq. and Tanya Trujillo, Esq.
Steve Owen, Parker & Parsley

HINKLE, COX, EATON, COFFIELD & HENSLEY,
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*NOT LICENSED IN NEW MEXICO

December 17, 1996

11704

Florene Davidson
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87501

Re: In the Matter of: (1) the Application of Parker & Parsley Development, L.P. for Approval of a Water Injection Project for Secondary Recovery of Hydrocarbons, Lea County, New Mexico; and (2) the Application of Parker & Parsley Development, L.P. for Statutory Unitization, Lea County, New Mexico

Dear Florene:

Transmitted herewith you will find three copies of a "Pre-Hearing Statement" in connection with the referenced applications. Those applications were filed with the OCD office yesterday.

Please advise if anything further is needed in connection with the enclosed Pre-Hearing Statement.

Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD,
& HENSLEY, L.L.P.

Conrad E. Coffield

CEC/bc
Enclosures
cc: Steven K. Owen
Rand Carroll, General Counsel
(w/encl.)

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

THE APPLICATION OF PARKER &
PARSLEY DEVELOPMENT, L.P. FOR
APPROVAL OF A WATER INJECTION
PROJECT FOR SECONDARY RECOVERY OF
HYDROCARBONS, LEA COUNTY, NEW MEXICO

Case No. _____

THE APPLICATION OF PARKER &
PARSLEY DEVELOPMENT, L.P. FOR
STATUTORY UNITIZATION,
LEA COUNTY, NEW MEXICO

Case No. _____

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Applicant as
required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Parker & Parsley
Development, L.P.
303 West Wall Street, Ste. 101
Post Office Box 3178
Midland, TX 79702-3178
(915) 571-1550

ATTORNEY

Conrad E. Coffield, Esq.
Hinkle, Cox, Eaton,
Coffield & Hensley, L.L.P.
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OPPONENT

ATTORNEY

STATEMENT OF CASE

Applicant requests statutory unitization of the Lusk West
Delaware Pool in order to institute a water injection secondary
recovery project. The project will increase recovery of reserves
in the Pool.

The Unit Agreement and Unit Operating Agreement are fair and reasonable, and the participation formula allocates hydrocarbons to each tract on a fair and equitable basis.

PROPOSED EVIDENCE

<u>APPLICANT</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Larry Brooks (Geologist)	1 hour	12
J. Britt Hirth (Engineer)	1 hour	Approx. 4
Greg Pace (Engineer)	1 hour	_____
Steven K. Owen	1 hour	Approx. 3

<u>OPPONENT</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
_____	_____	_____

PROCEDURAL MATTERS

None applicable at this time.

Pre-Hearing Statement

Case Nos. _____ and _____

Page 3

RESPECTFULLY SUBMITTED:

HINKLE, COX, EATON,
COFFIELD & HENSLEY, L.L.P.

A handwritten signature in dark ink, appearing to read 'Conrad E. Coffield', is written over a horizontal line.

Conrad E. Coffield, Esq.
Post Office Box 2068
Santa Fe, New Mexico 87504
(505) 982-4554
Attorneys for Parker & Parsley
Development, L.P.

**HINKLE, COX, EATON, COFFIELD & HENSLEY,
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*NOT LICENSED IN NEW MEXICO

December 16, 1996

Florene Davidson
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87501

**Re: In the Matter of the Application of Parker & Parsley
Development, L.P. for Authority to Institute a Water
Injection Project for Secondary Recovery of Hydrocarbons,
Lea County, New Mexico**

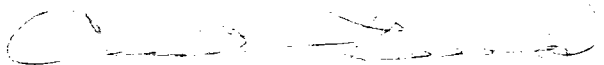
Dear Ms. Davidson:

Enclosed for filing the above-referenced matter, please find the original and three copies of the Application with attached exhibits and a Proposed Advertisement.

If you should have any questions, please do not hesitate to call me. Thank you for your assistance in this matter.

Very truly yours,

**HINKLE, COX, EATON, COFFIELD,
& HENSLEY, L.L.P.**


Conrad E. Coffield

CEC/bc

Enclosures

PROPOSED ADVERTISEMENT

Case 11704:

Application of Parker & Parsley Development, L.P., for a water injection project for secondary recovery of hydrocarbons, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to institute a water injection project in the Lusk West Delaware Pool within its proposed Lusk West (Delaware) Unit Area (being the subject of Case No. _____) located in Township 19 South, Range 32 East, by the injection of produced water through perforated intervals into the Lusk West Delaware Pool. Said project is located approximately _____ miles _____ of _____, New Mexico.